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NEA FOR FRONT OFFICE, NSC FOR ABRAMS/SINGH/WATERS

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TAGS: PGOV IS KWBG KPAL

SUBJECT: KHALIL SHIKAKI ON FATAH'S WEST BANK SITUATION AND PROSPECTS

Classified By: Consul General Jake Walles, for reasons 1.4 b and d

11. (C) Summary. Palestinian Center for Policy and Survey Research (PCPSR) Director Dr. Khalil Shikaki told U.S. Security Coordinator (USSC) LTG Keith Dayton on July 3 that Fatah is disorganized and has failed to consolidate power in the West Bank, but remains the protector of liberal values in Palestinian society. He said a successful PA political outcome is necessarily Fatah-centric. Shikaki urged a new U.S. initiative to pressure the parties to fulfill their respective commitments. End summary.

FATAH MISSING AN OPPORTUNITY

12. (C) Shikaki said Hamas' takeover in Gaza weakened the faction's standing in the West Bank, but Fatah is failing to gain advantage from Hamas' political loss. Shikaki said a recent meeting of 25 younger Fatah activists drove home how dysfuctional Fatah is, as the group expressed a lack of confidence in Abu Mazen. Shikaki said he does not believe that Hamas can take over the West Bank as it did Gaza, but the fact that some in Fatah believe it is possible reflects a profound frustration with Fatah's leaders' inability or unwillingness to fix the movement.

CURRENT LEADERSHIP

- ¶3. (C) Shikaki opin
- 13. (C) Shikaki opined that there will not be a successful PA political outcome that is not Fatah-centric. An infusion of more money will not revive the Fatah's political standing, he said, since it is Fatah's fragmentation and corruption that must be fixed. He commented that there is no sign of popular support coalescing around PM Fayyad.
- 14. (C) Shikaki said he has known Minister of Interior Abd al-Razaq al-Yahya for ten years as a board member of Shikaki's PCPSR, and believes that while al-Yahya is known as a systematic thinker, he is now an aging, cautious man who is more likely to succeed at reorganizing the Palestinian security forces (PASF) than taking bold steps to counter Hamas. He noted al-Yahya has no group of "wise men" to turn to for advice.

BADR, AAMB, and CONFEDERATION

15. (C) Shikaki said he is concerned that a deployment of the Badr forces to the West Bank will be popularly perceived as a first step toward a Jordanian-Palestinian confederation. Shikaki said he opposes any confederation prior to

achievement of actual Palestinian statehood. On the problem of militants and fugitives, he said that, since most al-Aqsa Martyrs Brigades (AAMB) members came from the PA security forces (80-90 percent in his estimation), the most logical solution to these problems is to reintegrate them into their respective security organizations.

U.S. AND ISRAELI ENGAGEMENT

16. (C) Shikaki said GOI cooperation is vital, and could most effectively be obtained by President Bush leading a new initiative to pressure all parties to fulfill their commitments. IDF cooperation on PASF redeployment and on removal of checkpoints and roadblocks, while difficult for Israel, he said, are preconditions for success. He commented that announced Israeli plans to release 250 Fatah prisoners is a &cheap bribe8 that will have no significant impact.

WALLES